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# GLOBAL CLIMATE CHANGE: US-AEP

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*Creating and fostering partnerships has proven to be one of the most efficient and productive means to achieving USAID's goals on a variety of issues in a multitude of countries. In Asia particularly, through the U.S.-Asia Environmental Partnership, USAID has succeeded in reducing greenhouse gas emissions and increasing energy efficiency with the assistance of its many collaborators and supporters.*

**Background.** The U.S.-Asia Environmental Partnership (US-AEP), formed in 1992, is a public-private initiative implemented by several U.S. government agencies under the leadership of USAID. US-AEP works with a wide array of partners – governments, nongovernmental organizations, academia, and the private sector – to provide Asia with the tools it needs for cleaner and more efficient cities and industries.

US-AEP's goal is to promote and improve the quality of life and sustainable growth in Asia. By focusing on the urban and industrial developmental issues resulting from rapid economic growth, US-AEP helps Asia reduce negative environmental impacts, improve governance and transparency, increase resource efficiency and productivity, and develop sustainable partnerships between U.S. and Asian institutions and within Asia.

US-AEP is active in six countries – India, Sri Lanka, Vietnam, Thailand, the Philippines, and Indonesia.

To help reduce greenhouse gas emissions, the majority of US-AEP projects aim to increase energy efficiency, improve environmental and energy management in cities and energy-intensive industries, and enhance efficiencies in manufacturing processes.

**Sector-Specific Climate Change Activities.** US-AEP focuses its efforts in four sectoral areas – policy, industry, urban, and technology transfer.

**Policy.** US-AEP works with a range of government, citizen, and industrial partners in the six Asian countries to share expertise as they shape their environmental and social public policies.

To develop and implement effective government regulatory and public participation programs, US-AEP's Regulatory Dialogue Program shares expertise and assists Asian lawmakers and citizens in dialogues to strengthen their regulatory programs. In Thailand, an energy efficiency partnership program is strengthening key associations. Two new associations of energy efficiency companies were created with assistance from US-AEP in 2000 and 2001. The Energy Efficiency Development Alliance (EEDA) consists of large energy efficiency firms. The Energy Conservation Entrepreneurs Association (ECEA) consists mainly of individual professionals and smaller firms. These trade associations provide a recognized platform from which energy efficiency businesses can work with the government on public policy and communicate the advantages of energy efficiency to the public.

**US-AEP's partners in climate change activities include\*:**

- Alliance to Save Energy (ASE)
- The Asia Foundation
- The Council of State Governments
- International City/County Management Association
- Institute of International Education
- The Louis Berger Group
- Planning and Development Collaborative International
- Kenan Institute Asia
- U.S. Environmental Protection Agency (EPA)

\* Because partners change as new activities arise, this list of partners is not comprehensive.

The goal of this US-AEP project is for these associations to become self-sustaining, influential forces in Thailand advocating energy efficiency over the long term. This goal is taking shape as the associations become valued by the Thai government as sources of expertise and advice.

One of the most effective ways firms can increase the adoption of their energy efficiency products and services is to help the government make its policies designed for this purpose more effective. This is especially true in Thailand, where the government has a myriad of well-intentioned policies on efficiency that have not been well translated into results.

EEDA has been actively engaging the Department of Energy Development and Promotion (DEDP) in dialogue about how DEDP can improve its implementation of energy efficiency policies. The members chose a set of policy issues it wanted to address and they are now working on the highest priority issue, which is to help the government operationalize its revolving loan fund for energy efficiency projects. In May 2002, DEDP officers and representatives of EEDA and ECEA went on a tour to the United States to learn about successful U.S. financing mechanisms for energy efficiency and about how Energy Service Companies (ESCOs) in the United States work.

In addition to public policy, the project also builds consumer awareness of the benefits of energy efficiency. Educational seminars are held for energy users with presenters from firms that supply energy efficiency equipment and expertise. By bringing together those with the demand for efficiency with those who supply it, the audience becomes aware of possible money-saving opportunities and which firms can provide them, while the associations become more visible. Stressing medium-sized facilities, targeted sectors so far have been hospitals, hotels, and factories.

Industry. US-AEP's Industry Program works with public and private sector partners to help businesses of all sizes alter their environmental and energy practices to improve environmental management, enhance performance, and enrich social responsibility by:

- Promoting eco-industrial development to improve the environmental management and industrial performance of industrial estates
- "Greening the supply chain" by promoting sound environmental practices and green procurement guidelines for suppliers
- Promoting corporate social responsibility, such as the Global Reporting Initiative, by encouraging open dialogue between companies, communities, and government, and by supporting programs that assist companies' development of sustainable practices
- Promoting the adoption of corporate environmental management systems by companies throughout Asia
- Facilitating the exchange and adoption of environmental management best practices through the development and support of industry associations

- Working with banks, investment companies, and insurance organizations to foster environmental “due diligence” (such as the use of environmental criteria in lending practices)
- Supporting corporate energy efficiency through the creation of public/private partnerships focused on best practices, energy audit demonstrations, training, and workshops

In India, a US-AEP project has been improving waste management practices to alleviate a public health hazard. When a large population is faced with serious economic and infrastructure deficiencies, biomedical waste poses serious public health risks that can cause increases in infectious and communicable diseases, including HIV and hepatitis B and C. In parts of India, this is a life-threatening issue. US-AEP has been working to raise awareness about this issue, and over the last five years, through multiple exchange and training programs, Indian public and private decision makers have begun to focus more attention and resources on biomedical waste problems.

As a result, Mumbai hospitals have been able to reduce the 25 tons of medical waste generated per day by improved management practices. Improved technology and handling techniques introduced by US-AEP have reduced the weekly release of over two tons of untreated biomedical waste into unsecured landfills, thanks to US-AEP’s trade lead system. These efforts have greatly improved the lives of millions in surrounding communities.

US-AEP has brought attention and technical assistance to this problem for several years. In February 1999, after startling new regulations imposed criminal sanctions on hospital officials not following proper waste management techniques, US-AEP attracted over 500 attendees and extensive press coverage on the radio and television and in print by sponsoring the First National Conference on Bio-Medical Waste Management in Baroda and the Southern Regional Bio-Medical Waste Management Workshop in Chennai, Tamil Nadu. In 2002, US-AEP helped create a resource center for medical waste management that will be developed in cooperation with the Environmental Protection Training and Research Institute in Hyderabad, Andhra Pradesh.

*Urban.* US-AEP works with Asian leaders in local government, business, community organizations, and the media to reduce the environmental damage caused by cities and to improve the health of their citizens by:

- Improving municipal environmental management
- Improving municipal infrastructure and services
- Strengthening institutions and networks

In Indonesia, increased costs during the 1997 Asian financial crisis forced many of Indonesia’s 300 water enterprises to distribute untreated water through their mains instead of shutting off the supply of clean water

completely. US-AEP designed the water efficiency team (WET) as part of the 1998 Rapid Response Plan to target Indonesia's weakest and most ailing water enterprises and find ways for them to keep clean water flowing to urban poor people.

The WET recommendations were aimed at helping water enterprises achieve self-sufficiency, access funds for recommended improvements, and get local government approval of tariff increases linked to service improvements. WET visited and audited 55 out of Indonesia's 300 water enterprises. The WET project is estimated to have helped over 50 of these enterprises reduce costs and improve revenues by making recommendations on the financial, managerial, and technical aspects of the operation and maintenance of the water facility.

As a result of WET's efforts, local government saved \$10 million in subsidies to failing water enterprises. Implementation of WET's recommendations allowed water enterprises to successfully avert interruption of service to the urban poor, thereby enhancing public health and economic activity. In turn, the recommendations created new knowledge that any water enterprise, given an adequate customer base and dedication to serving customers, can achieve full cost recovery. Best of all, a total of 590,000 people enjoyed piped clean water, thanks to US-AEP's quick response to a very serious crisis.

*Technology Transfer.* The transfer of U.S. environmental know-how and technologies continues to have a positive impact on the state of the environment in Asia. US-AEP has facilitated the transfer of over \$1.4 billion in environmental technologies and services. This translates into 28,000 American jobs, according to the U.S. Small Business Administration's guidelines.

In the Philippines, technology transfer activities have brought potable water to millions of disadvantaged people. To make this water available and affordable, illegal taps and loss due to faulty distribution systems must be prevented. Until US-AEP and its partners Ford Metering Company and the Asian Development Bank stepped in to provide know-how, technical expertise, and up-to-date practices and equipment, more than 60% of the potable water flowing into the distribution system in Manila and Maynilad was either lost or stolen. In 2001, Maynilad Concession signed an agreement with Ford Metering for the supply of equipment, including repair clamps, service connections, and meters. Additional service connections made possible an expansion of the distribution network to provide potable water access directly to households on the west side of Manila.

For more information on US-AEP's climate change activities, visit US-AEP's Web site at:

- <http://www.usaep.org/>